

## STATE FAIR PARK

Budget Summary							
Fund	2002-03 Base Year Doubled	2003-05 Governor	2003-05 Jt. Finance	2003-05 Legislature	2003-05 Act 33	Act 33 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$2,406,400	\$3,438,500	\$3,674,200	\$3,674,200	\$3,674,200	\$1,267,800	52.7%
PR	<u>33,612,200</u>	<u>36,586,100</u>	<u>32,438,800</u>	<u>32,438,800</u>	<u>32,438,800</u>	<u>- 1,173,400</u>	- 3.5
TOTAL	\$36,018,600	\$40,024,600	\$36,113,000	\$36,113,000	\$36,113,000	\$94,400	0.3%
BR			- \$28,000,000	- \$28,000,000	- \$28,000,000		

FTE Position Summary						
Fund	2002-03 Base	2004-05 Governor	2004-05 Jt. Finance	2004-05 Legislature	2004-05 Act 33	Act 33 Change Over 2002-03 Base
PR	45.20	30.20	30.20	30.20	30.20	- 15.00

### Budget Change Items

#### 1. STANDARD BUDGET ADJUSTMENTS

PR	\$241,800
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**Governor/Legislature:** Provide \$120,900 annually for adjustments to the base budget for: (a) full funding of salaries and fringe benefits (-\$125,200 annually); (b) overtime (\$240,600 annually); and (c) night and weekend pay rate differential (\$5,500 annually).

#### 2. BASE BUDGET REDUCTIONS [LFB Paper 690]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
PR	-\$86,200	- 15.00	-\$1,156,200	0.00	-\$1,242,400	- 15.00

**Governor:** Delete \$86,200 in 2004-05 and 15.0 positions annually. As of February 22, 2003, 14.26 positions were vacant. The bill would delete \$621,200 annually in salary and fringe

benefits associated with these positions and shift \$621,200 in 2003-04 and \$535,000 in 2004-05 to fund supplies and services costs for State Fair Park operations (a technical correction to the budget system is needed to implement this intent).

**Joint Finance/Legislature:** Delete \$621,200 PR in 2003-04 and \$535,000 PR in 2004-05 related to the 15.0 positions eliminated in the bill instead of transferring this expenditure authority to supplies and services costs, under the Governor's recommendation. Authorized PR expenditures under the substitute amendment for the State Fair Park (\$16.0 million in 2003-04 and \$16.4 million in 2004-05) would still be expected to substantially exceed anticipated revenues (estimated by Park officials at \$14.4 million for 2002-03).

### 3. DEBT SERVICE REESTIMATES [LFB Papers 195 and 691]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,032,100	\$235,700	\$1,267,800
PR	<u>4,018,300</u>	<u>- 2,991,100</u>	<u>1,027,200</u>
Total	\$5,050,400	- \$2,755,400	\$2,295,000

**Governor:** Provide \$295,800 GPR and \$942,000 PR in 2003-04 and \$736,300 GPR and \$3,076,300 PR in 2004-05 to reflect estimated principal and interest payments on bonds. GPR debt service is associated with the construction of a youth housing facility, agricultural buildings, certain infrastructure improvements and the purchase of land. PR debt service, paid for by park revenue, is associated with the construction or renovation of numerous other park facilities including the grandstand, Pettit National Ice Center and the race track.

**Joint Finance/Legislature:** Delete \$423,500 (provide an increase of \$222,700 GPR and delete \$646,200 PR) in 2003-04 and delete \$2,331,900 (provide an increase of \$13,000 GPR and delete \$2,344,900 PR) in 2004-05 for debt service payments. The PR reestimate is primarily related to \$34 million in state bonding for an exposition center that will not be used, but was included in the original debt service estimate in error.

### 4. ENTERTAINMENT EXPENSES

PR	- \$1,200,000
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**Governor/Legislature:** Delete \$600,000 annually for expenses related to the elimination of grandstand entertainment during the State Fair.

### 5. BONDING AUTHORITY FOR CAPITAL PROJECTS [LFB Paper 691]

BR	- \$28,000,000
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**Joint Finance/Legislature:** Eliminate \$34 million in program revenue supported bonding revenue (BR) that was enumerated in the 2001-03 state building program for the construction of an exposition center on State Fair Park grounds. The construction of the exposition center was

financed through \$44.9 million in Industrial Revenue Bonds that were issued by the City of West Allis to State Fair Park Exposition Center, Inc. (the non-profit organization that was created to construct, own, manage and operate the new exposition center), instead of the \$34 million BR authorized in 2001 Act 16.

In addition, provide \$6 million BR in program revenue supported, general obligation bonding enumerated under the 2003-05 state building program for site lighting, parking lot development, land acquisition and racetrack infield improvements.

[Act 33 Sections: 690m and 9106(1)(e)&(7)]